

STATE BOARD OF EQUALIZATION
2001-02 ANNUAL REPORT



BOARD MEMBERS

JOHAN KLEHS
FIRST DISTRICT

DEAN ANDAL
SECOND DISTRICT

CLAUDE PARRISH
THIRD DISTRICT

JOHN CHIANG
FOURTH DISTRICT

KATHLEEN CONNELL
STATE CONTROLLER

JAMES E. SPEED
EXECUTIVE DIRECTOR

MISSION

The mission of the State Board of Equalization is to serve the public through fair, effective, and efficient tax administration.

GOALS

The State Board of Equalization will

- Interpret and apply tax and fee laws correctly, consistently, and fairly.
- Collect and allocate revenues as required by law.
- Assess and allocate property values as required by law.
- Educate and assist tax- and fee payers to comply voluntarily, while minimizing their compliance burden.
- Provide high-quality customer service, using qualified staff and state-of-the-art technology.
- Achieve program objectives at the lowest possible cost.

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[Taxes and Fees Administered by the
Board of Equalization, 2001-02](#)

STATE BOARD OF EQUALIZATION

The Honorable Gray Davis
Governor of California

May 2003

Dear Governor Davis:

Taxes form the foundation of state government. Tax revenues strengthen our security by funding public safety. They open the windows of opportunity by supporting education and transportation. Taxes create shelter by providing funds for social services, housing, environmental protection, and health care programs. They are the bricks and mortar, the concrete, beams, and columns that keep the house of state strong.

On behalf of the Members and staff of the State Board of Equalization, I am pleased to submit our annual report for fiscal year 2001-02, which describes the taxes and fees we administer.

In 2001-02, Board-administered revenue programs produced more than \$40 billion in revenue for the state, counties, cities, and special tax districts. The state's portion of the revenue, which totaled \$30.9 billion, provided more than 37 percent of all state income for the fiscal year.

Thanks to the excellent work of our dedicated staff, a focus on process improvement, and our strong technology infrastructure, we have continued to provide efficient and effective tax administration. Our total costs for all operations in 2001-02 were only \$202.2 million, or 77 cents for every \$100 of tax collected.

The Board of Equalization has been a bulwark of the house of state since its establishment in 1879. As we move forward in this new century, we look forward to working with you to strengthen that house through continued excellence in tax administration, innovative planning for change, and quality service to the people of California.

Sincerely,

James E. Speed
Executive Director